



**CITY OF SAN DIEGO  
COUNCILMEMBER SHERRI S. LIGHTNER  
DISTRICT ONE**

**MEMORANDUM**

DATE: November 10, 2010  
TO: Honorable Anthony Young, Chair, Budget & Finance Committee  
FROM: Councilmember Sherri S. Lightner  
SUBJECT: Fiscal Year 2011-2012 Budget Recommendations

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Thank you for inviting us to contribute our recommendations for the FY2011-2012 budget.

We need to establish methods for achieving savings or revenue in both the short term (for the FY2012 budget) and long term (for the structural budget deficit).

We should support a budget that:

- **Complies with the guiding principles of our Structural Deficit Elimination Plan.**
- **Does not use one time funds for ongoing expenses.**
- **Meets the City's mandated obligations.**

I look forward to the report being prepared by the Citizens Revenue Review & Economic Competitiveness Commission. They have spent nearly one year researching best practices, interviewing experts, and listening to citizens from throughout the city, and should have much to add to the discussion. We should include consideration of the Commission's recommendations in our budget deliberations—both in the near term and long term.

We also need to plan for how to restore cuts to public safety. Even before cuts were made, severe limitations to public safety existed, including a need for additional fire stations citywide.

Ideas that could generate revenue or cut costs prior to FY2012:

**1. Expand use of a 4/10/5 work schedule.** The Environmental Services Department has shown that this schedule can result in efficiencies and cost savings. It has been suggested that this be used in Facilities Maintenance and the Street Division.

**2. Establish agreements with other local agencies,** including educational institutions and universities, to identify ways in which they can contribute toward any City services they receive (e.g. fire-rescue, infrastructure, etc.). This type of agreement has previously been successfully implemented with Lifeguard Services to provide lifeguard coverage at beach frontage on the property of the Scripps Institution of Oceanography. Discussions are currently ongoing among UCSD, my office, and City staff for expanded agreements.

**3. Implement cost recovery fines for false fire alarms.** We expect the Fire-Rescue Department to issue a report on this shortly.

**4. Ensure fines for false police alarms are cost recoverable.**

**5. Increase nightclub-overcrowding fines to make inspections cost recoverable.**

**6. Resume charging cost recovery fees for business tax collection, if appropriate.**

**7. Investigate and possibly start a program to charge user or reservation fees for the fire rings on the beach.** Another approach for funding the fire rings could be to incorporate them into a beach marketing program.

**8. Expand the use of matching programs for gifts similar to the program used by Park & Recreation in past years.**

**9. Assure that special events comply with their City permits.** Fees should cover the costs to the City for the event and comply with the existing rate structure.

**10. Expand use of volunteers.** One of the fiscal reforms adopted by City Council on June 8, 2009 was to explore the feasibility of establishing an RSVP type program for the Library Department. A report on the progress evaluating a Library RSVP program should be requested. Programs could be developed to provide other functions as well in departments such as Park & Recreation, Streets (landscaping maintenance), and Code Compliance, among others. We should also make better use of educational internships.

**11. Implement innovative marketing partnerships.** The City should begin soliciting input from community groups on the Strategic Marketing and Advertising Plan proposed by the Corporate Partnership Program. If this program is implemented, these funds should be used for operations as well as capital improvements.

**12. Consolidate City office space and eliminate the use of underutilized rental space.**

**13. Use redevelopment dollars to fill General Fund gaps wherever possible.**

**14. Increase use of voluntary furloughs for City staff.**

**15. Seek grants to do energy retrofits to all City buildings that would afford energy and operational savings.**

Ideas that could generate revenue or cut costs for future budgets:

**A. Complete the Remaining Proposition D Reforms**

Four of the ten reforms have already been completed. The remaining reforms have already achieved enough political support to reduce roadblocks and allow them to be completed expeditiously. We should proceed with the same urgency as would have been the case had voters approved Proposition D.

Those reforms which have not yet been completed include:

1. Completing the DROP neutrality study, and if necessary initiating meet and confer proceedings to make it cost neutral
2. Reducing the total cost of retirement offsets
3. Reducing our retiree health care liability
4. Soliciting proposals from bidders to provide the City's information technology services;
5. Establishing a second tier pension plan for new firefighters
6. Adopting an ordinance that would allow all City employees to voluntarily select or switch from a current retirement plan to a new alternative Defined Contribution Plan

We should request a status update presentation on these remaining reforms and what measures are needed for prompt implementation and completion of these reforms.

**B. Teeter Plan**

The City is studying the benefits of transitioning to a Teeter Plan for property tax collection. If this plan is shown to result in a significant revenue advantage for the City, we should adopt a Teeter Plan, which would create a reliable, guaranteed upfront revenue stream for the City. This has been previously suggested by the IBA and discussed by the Citizens Revenue Review and Economic Competitiveness Commission.

**C. Special Assessment Districts**

Council should explore assisting individual neighborhoods to form special assessment districts to allow each neighborhood to determine the level of City services that they would like to receive.

**D. Cost of Service Studies for New Fees**

Council should request an update on the cost of service study for storm water operations. We should initiate a study for cost of service for refuse collection.

**E. Fiscal Reforms Adopted by Council on June 8, 2009**

Adopted reforms that have not been completed should be finished expeditiously. Council should request a status update from the IBA or Mayor's office on these reforms, which include exploring changes to worker's compensation, developing recommendations for achieving cost

recovery for professional sports teams, and considering an expenditure cap for consultant contracts. The full list of adopted reforms is included as Attachment 1.

**F. Partnering with Other Agencies**

We should explore the advantages of partnering with agencies such as the County, state, federal, and other local governments to save costs. Examples of partnerships include joint purchase agreements, sharing maintenance operations or facilities, and joint patrols of parks and beaches.

**G. Tourism Marketing District (TMD)**

Council should explore expansion of the TMD to include additional hotels and other tourism-related businesses.

If you have any questions or comments regarding any of these proposals, please contact my office at (619) 236-6611.

cc: Honorable Mayor  
Honorable Councilmembers  
Jan Goldsmith, City Attorney  
Andrea Tevlin, Independent Budget Analyst  
Jay Goldstone, Chief Operating Officer  
Mary Lewis, Chief Financial Officer  
Breanna Zwart, Budget & Finance Committee Consultant